

For Immediate Release: 4/4/2016 GOVERNOR ANDREW M. CUOMO

## GOVERNOR CUOMO SIGNS \$15 MINIMUM WAGE PLAN AND 12 WEEK PAID FAMILY LEAVE POLICY INTO LAW

Statewide \$15 minimum wage will lift the earnings of more than 2.3 million New Yorkers

12 week paid family leave policy – the longest and most comprehensive in the nation – will help workers maintain financial stability while caring for a new child or sick relative

Governor Andrew M. Cuomo today signed legislation enacting a statewide \$15 minimum wage plan and a 12-week paid family leave policy. The legislation was passed as part of the 2016-17 state budget, and marks a major accomplishment in the Governor's efforts to restore economic justice and fairness to working families in New York State. The Governor signed these two pieces of legislation immediately prior to attending a 1,000-person victory rally, which included workers, advocates, labor leaders, and elected officials. That rally was held at the Jacob K. Javits Center in New York City.

"By moving to a \$15 statewide minimum wage and enacting the strongest paid family leave policy in the nation, New York is showing the way forward on economic justice," **said Governor Cuomo.** "These policies will not only lift up the current generation of low-wage workers and their families, but ensure fairness for future generations and enable them to climb the ladder of opportunity. I am proud to sign these programs into law, because they will ensure a stronger, fairer and brighter future for all New Yorkers."

Senate Independent Democratic Conference Leader Jeffrey Klein said, "This truly is The Year of the Worker. A victory in the Fight for \$15 and Paid Family Leave will make a tremendous difference in the lives of our workforce. I thank Governor Cuomo for bringing these issues to the forefront. New York State put together the best Paid Family Leave policy in the nation. Nobody will ever have to choose between what their heart tells them to do and what their bank account allows them to do. Our minimum wage workforce also gets a raise that they deserve. This is a budget that should make every New Yorker proud."

Senate Democratic Leader Andrea Stewart-Cousins said, "New York has always been a progressive leader and we have proven that fact once again with the passage of a higher minimum wage and the strongest paid family leave program in the nation. I commend Governor Cuomo, Speaker Heastie and my Senate Democratic colleagues for their hard work on this year's State Budget, and look forward to continuing our joint efforts to move New York State

forward."

Assembly Speaker Carl Heastie said, "Today's victories in raising the minimum wage and paid family leave belong to all of the families across the state and to each of the New Yorkers who are working hard and doing their best to achieve a successful future. The Assembly Majority is proud of the work we have done to make this possible and prouder still of the opportunities that these measures will provide for countless individuals. Today we have secured our place as a national leader and delivered on our promise for a better New York."

## \$15 Minimum Wage

The state budget includes an historic increase in the minimum wage, ultimately reaching \$15 an hour for all workers in all industries across the state.

- For workers in New York City employed by large businesses (those with at least 11 employees), the minimum wage would rise to \$11 at the end of 2016, then another \$2 each year after, reaching \$15 on 12/31/2018.
- For workers in New York City employed by small businesses (those with 10 employees or fewer), the minimum wage would rise to \$10.50 by the end of 2016, then another \$1.50 each year after, reaching \$15 on 12/31/2019.
- For workers in Nassau, Suffolk and Westchester Counties, the minimum wage would increase to \$10 at the end of 2016, then \$1 each year after, reaching \$15 on 12/31/2021.
- For workers in the rest of the state, the minimum wage would increase to \$9.70 at the end of 2016, then another .70 each year after until reaching \$12.50 on 12/31/2020 after which will continue to increase to \$15 on an indexed schedule to be set by the Director of the Division of Budget in consultation with the Department of Labor.

Further, the bill provides a safety valve to the increases. Beginning in 2019, the state DOB Director will conduct an annual analysis of the economy in each region and the effect of the minimum wage increases statewide to determine whether a temporary suspension of the scheduled increases is necessary. That analysis is submitted to the Department of Labor by the Division of Budget.

It is estimated that more than 2.3 million people will be affected by the increases in the minimum wage.

Previously, as a result of the Governor's efforts, New York has begun moving toward a \$15 minimum wage for fast food employees, public sector workers, and SUNY employees – in total amounting to roughly a quarter of a million workers in New York State.

## 12-Week Paid Family Leave

The state budget includes the most comprehensive paid family leave program in the nation.

When fully phased- in, employees will be eligible for 12 weeks of paid family leave when caring for an infant, a family member with a serious health condition or to relieve family pressures when someone is called to active military service. Benefits will be phased-in beginning in 2018 at 50 percent of an employee's average weekly wage, capped to 50 percent of the statewide average weekly wage, and fully implemented in 2021 at 67 percent of their average weekly wage, capped to 67 percent of the statewide average weekly wage. This program will be funded entirely through a nominal payroll deduction on employees so it costs businesses – both big and small – nothing. Employees are eligible to participate after having worked for their employer for six months.

Bonding with a new child or caring for a seriously ill family member should not cost employees their entire savings or job. Statewide paid family leave will particularly benefit low-income workers who often lack benefits or job security, and for whom access to any leave, even unpaid, is often not available or cost prohibitive. Paid family leave also has the potential to serve as a great equalizer for women. In many instances, women who leave the workforce to care for a newborn not only forfeit their existing salaries in the short-term, but also suffer diminished future earnings and career trajectories in the long term. Establishing paid family leave marks a pivotal next step in the pursuit of equality and dignity in both the workplace and the home.

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